



City of Westminster

Committee Report

Decision Maker:	Pension Fund Committee
Date:	27 June 2017
Classification:	General Release
Title:	Pension Fund Business Plan 2017-18
Wards Affected:	All
Policy Context:	Effective control over Council Activities
Financial Summary:	There are no immediate financial implications arising from this report, although investment performance has an impact on the Council's employer contribution to the Pension Fund and this is a charge to the General Fund.
Report of:	Steven Mair <i>City Treasurer</i> smair@westminster.gov.uk 020 7641 2831

1. Executive Summary

- 1.1 It is Best Practice for Council Services to have business plans that set out to the objectives of the Service, how this is being delivered, and highlighting issues and how these are to be mitigated.
- 1.2 As a Tri-borough Service, it is equally important to ensure that there is as much standardisation and compliance as is possible across the three Councils to ensure economies of scales and associated savings can be delivered.
- 1.3 This report and associated Appendix sets out the Tri-Borough Pensions Business Plan.

2. Recommendation

- 2.1 That the Committee note the Tri-Borough Pensions Business Plan and agree with the direction of travel set out in the plan in regards to the Action Plan.

3. Background

- 3.1 It is best practice to have meaningful and deliverable Business Plans to which all Stakeholders are aligned, when delivering services.
- 3.2 This report sets out the Tri-Borough Pensions Business Plan in order for Stakeholders to fully understand the deliverables for the Pensions Service.
- 3.3 The Tri-Borough Pensions Business Plan is attached as Appendix A. This business plan sets out:
 - a. The terms of reference;
 - b. The size of Funds being managed (From a Monetary and staffing number basis);
 - c. The aims and purposes of the Funds;
 - d. What key documents are and where they are located;
 - e. The resources deployed to deliver fund activities.
- 3.4 In addition, as a final section, the Business Plan sets out the Tri-Borough Pension Funds Action Plan for the upcoming period. This action plan is based around three theme's:
 - a. Operational improvements which will streamline existing working practices and work towards a consistent set of outputs to be delivered by the team;
 - b. Assurance improvements which highlight ways of demonstrating the Funds are being managed effectively and within the regulatory framework; and
 - c. Financial proposals which will ensure the costs of delivering the scheme administration are understood and minimised.
- 3.5 The objectives of the improvements were identified as follows:
 - a. Operational (doing things better):
 - i. To ensure Pension Committees and Local Pension Boards are fully supported;
 - ii. To better understand, manage and monitor the risks of the Funds;
 - iii. To support an improvement in the quality of communications with Employers and Fund.
 - b. Assurance (doing things right):
 - i. To ensure the most effective governance arrangements are in place;
 - ii. To improve the level of controls assurance and reporting frameworks;

- iii. To ensure the Fund is efficiently managed and complies with relevant regulations.
 - c. Financial (being cost efficient):
 - i. To fully understand the Funds' current and expected financial position;
 - ii. To optimise the procurement of services utilised by the Funds;
 - iii. To minimise the cost of administering the Funds locally;
 - iv. To improve the quality and transparency of financial reporting.
- 3.6 The final section of the Business Plan sets out the 17 actions being followed.

If you have any questions about this report, or wish to inspect one of the background papers, please contact the report author:

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BACKGROUND PAPERS: None

APPENDIX 1

PENSION FUND BUSINESS PLAN 2017/18